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Policies and Procedures

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P&P describes property management for all Economics agencies. It outlines the procedures for acquiring, reporting, transferring, and disposing of Government personal property. It discusses loaning Government equipment to employees for official work at home. It also discusses methods for maintaining accurate inventories.

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1. Introduction

This P&P establishes policies and assigns responsibilities regarding personal property management for all Economics agencies. Property is classified as either “personal” property or “real” property. “Real” property is land and the structures or fixtures located on the land. “Personal” property is property that is transportable, any property except real property. In this P&P, the term “property” will refer to “personal property.”

The EMS Property and Services Section (PSS) provides property management services for all the Economics agencies according to Federal and Departmental Property Management Regulations. The Head of PSS is the Property Management Officer (PMO) who has overall responsibility for designing and implementing the Economics agencies property management program with approval from agency heads. Although this P&P targets agency personnel who are directly involved with the acquisition, control, and disposal of personal property, **all employees are responsible for Government property.**

2. Property Accountability

Accountable Property Officer

Designated accountable property officers (APOs) are responsible for the control and management of **all** personal property assigned to their unit. In the Economics agencies APOs are

Washington Metropolitan Area: branch chiefs and above.

Field Locations: state statisticians.

Accountable Property

Accountable property is property owned or leased by the Government. Regulations require that responsibility must be established for this property and that it be accounted for on an individual basis. Accountable property:

- has an original acquisition cost of \$1,000 or more and is complete in itself, not a component part of another item, such as an internal computer board, or
- has an original acquisition cost less than \$1,000, but an agency considers “sensitive” because it is highly susceptible to theft or loss, such as a monitor, printer, or television.

PSS maintains an inventory of all Economics agencies accountable property on the Department's Property Management Information System (PMIS), which tracks property from acquisition to disposal. Routinely, PSS staff updates PMIS to reflect changes in existing property records or to create new records.

Non-Accountable Property

Property that does not meet the characteristics of accountable property is “non-accountable” property, such as a time/date stamp, calculator, desk, or chair. Although PSS does not track non-accountable property on PMIS, APOs are still responsible for

- managing and maintaining internal control of non-accountable property, and
- following disposal procedures when non-accountable property becomes excess.

3. Accountable Property

Federal property regulations require that excess property be the first source for filling acquisition requests. As an APO, you should determine that excess property is not available within your own area of responsibility before submitting a new acquisition. PSS reviews all forms AD-700, Procurement Request, to determine if the request can be filled from excess property. If it cannot, PSS returns them to EMS's Procurement Section for processing. This chapter, however, explains how APOs should process actions involving new accountable property.

Acquiring New Accountable Property

When you purchase new accountable property, PSS staff stamps the “Property/Gold” copy of form AD-838, Purchase Order, requesting the following information for each accountable property item:

- serial number,
- assignee/room number, and
- division/branch

PSS forwards the stamped copy of the AD-838 to you or the contact on the

FOR AGENCY USE ONLY		UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER							
1. ORDER NO.	2. ORDER DATE	3. ORDER NUMBER	4. ORDER DATE	5. ORDER DATE	6. ORDER DATE	7. ORDER DATE	8. ORDER DATE	9. ORDER DATE	10. ORDER DATE
101	05/01/94	333AEY930036	05/01/94	05/01/94	05/01/94	05/01/94	05/01/94	05/01/94	05/01/94
11. ORDER TYPE		12. ORDER TYPE							
13. ORDER TYPE		14. ORDER TYPE							
15. ORDER TYPE		16. ORDER TYPE							
17. ORDER TYPE		18. ORDER TYPE							
19. ORDER TYPE		20. ORDER TYPE							
21. ORDER TYPE		22. ORDER TYPE							
23. ORDER TYPE		24. ORDER TYPE							
25. ORDER TYPE		26. ORDER TYPE							
27. ORDER TYPE		28. ORDER TYPE							
29. ORDER TYPE		30. ORDER TYPE							
31. ORDER TYPE		32. ORDER TYPE							
33. ORDER TYPE		34. ORDER TYPE							
35. ORDER TYPE		36. ORDER TYPE							
37. ORDER TYPE		38. ORDER TYPE							
39. ORDER TYPE		40. ORDER TYPE							
41. ORDER TYPE		42. ORDER TYPE							
43. ORDER TYPE		44. ORDER TYPE							
45. ORDER TYPE		46. ORDER TYPE							
47. ORDER TYPE		48. ORDER TYPE							
49. ORDER TYPE		50. ORDER TYPE							
51. ORDER TYPE		52. ORDER TYPE							
53. ORDER TYPE		54. ORDER TYPE							
55. ORDER TYPE		56. ORDER TYPE							
57. ORDER TYPE		58. ORDER TYPE							
59. ORDER TYPE		60. ORDER TYPE							
61. ORDER TYPE		62. ORDER TYPE							
63. ORDER TYPE		64. ORDER TYPE							
65. ORDER TYPE		66. ORDER TYPE							
67. ORDER TYPE		68. ORDER TYPE							
69. ORDER TYPE		70. ORDER TYPE							
71. ORDER TYPE		72. ORDER TYPE							
73. ORDER TYPE		74. ORDER TYPE							
75. ORDER TYPE		76. ORDER TYPE							
77. ORDER TYPE		78. ORDER TYPE							
79. ORDER TYPE		80. ORDER TYPE							
81. ORDER TYPE		82. ORDER TYPE							
83. ORDER TYPE		84. ORDER TYPE							
85. ORDER TYPE		86. ORDER TYPE							
87. ORDER TYPE		88. ORDER TYPE							
89. ORDER TYPE		90. ORDER TYPE							
91. ORDER TYPE		92. ORDER TYPE							
93. ORDER TYPE		94. ORDER TYPE							
95. ORDER TYPE		96. ORDER TYPE							
97. ORDER TYPE		98. ORDER TYPE							
99. ORDER TYPE		100. ORDER TYPE							

Completed AD-838 for Accountable Property

purchase order.¹ When you receive the property, fill in the requested information on the stamped AD-838, sign and date the form, and **promptly** return it to PSS. PSS updates the information from the AD-838 to your inventory. (See **right**.)

The National Finance Center (NFC) links PMIS and the Accounting System together. When you purchase items using an accountable property budget object classification code, the accounting data automatically feeds into PMIS. (See **Appendix A for a list of accountable property budget object classification codes**.) When NFC issues payment on a purchase order with property budget object classification codes, the Accounting System verifies whether the corresponding property data has been updated in PMIS. If the property data has not been updated, NFC places the purchase order in a property suspense report until the information is updated.

☞ Promptly return AD-838s for accountable property to PSS to ensure your agency will not have outstanding balances for property you have received.

Exchange/Sale of Accountable Property

You may want to take advantage of exchanging, or “trading in” property you currently have, property that **is not excess**, but no longer adequately performs tasks. Trading in property reduces or offsets the cost of an upgraded item from the vendor. To trade in property, you must confirm that the vendor will accept a trade-in, and you must negotiate the trade in amount.

When you complete the AD-700 for the new property, include another line item **listing the serial number of the property you are replacing** and the amount of trade-in. The vendor can remove the property being replaced when the new property is delivered. When you return the stamped copy of the AD-838, PSS staff will remove the replaced property from your inventory.

☞ There are specific types of property that are not eligible for exchange/sale. Call PSS to verify whether the property is eligible for exchange/sale.

Transferring Accountable Property

¹If EMS Procurement Section agents use a credit card to purchase accountable property, they will forward copies of your AD-700s to PSS. PSS will stamp the AD-700s requesting the same information for each accountable property item. APOs should follow the same procedures for the AD-838.

When you receive or transfer accountable property from a different branch, division, or agency within USDA, you must complete form AD-107, Report of Transfer or Other Disposition of Property. If you are the APO that is losing the property, prepare the form, forward a copy to PSS in Room 1304-S, and forward the original to the APO receiving the property. If you are the APO gaining the property, sign the form accepting responsibility for the property and forward a completed copy with both signatures to PSS (**see next page**). PSS will then make the changes in PMIS.

If you are interested in obtaining available excess property outside the Department, contact PSS for instructions in completing the transfer.

Transferring Computer Equipment Within the Agency

Many agencies have technical support sections that are responsible for maintaining and upgrading computer equipment for the entire agency. These technical support sections may need to originate the transfer documents. At a minimum, they should work with APOs to ensure that the transfer documents are prepared. Call PSS to discuss other procedures if necessary.

United States Department of Agriculture Report of Transfer or Other Disposition of Construction of Property		Date 7/14/94
1. Type of Transaction (Check one type of transaction) <input type="checkbox"/> Transfer <input type="checkbox"/> Sale <input type="checkbox"/> Trade In <input type="checkbox"/> Donation <input type="checkbox"/> Construction <input type="checkbox"/> Rehab <input type="checkbox"/> Abate		2. Proceeds Received \$
3. Reporting Agency (Name) USDA, NADP		4. Receiving Agency (Name of Purchase or Donor) USDA, ERS, AS
5. Organizational Unit PPSB, Procurement Section		6. Location Rm. 1312-S
7. Signature Signature		8. Signature Signature
9. Title Chairperson, NADP		10. Title PPSB Branch Chief
11. Property Name		
Quantity (If Price Not)	Item Description (Give Full Details including Serial Numbers, Year, and Condition Code)	Inventory Value
1	HP Laser Printer Model: Series III Serial No: 311A123769 Acc. Date: 6/5/92 Condition Code: 1	\$1,200
Certification of Property and Fiscal Officers		
12. Property Officer: This transaction is completed and the necessary entries have been made to adjust the property records and check if it is to be deposited to.		13. Fiscal Officer: A. <input type="checkbox"/> The above items are being transferred to the property for the agency. B. <input type="checkbox"/> The receiving agency has been made to acquire the necessary records.
Signature	Name	Signature
		Date

Completed AD-107 for Transfers

4. Excess Property--Washington Metropolitan Area

As previously stated, Federal regulations require that excess property be the first source of supply. PSS reviews all forms AD-700, Procurement Request, to determine if furniture requests can be filled from CEPO. This chapter explains how APOs in the Washington Metropolitan area process actions involving acquiring excess property and reporting excess property.

Acquiring Excess Property

USDA's Office of Operations has a Centralized Excess Property Operation (CEPO) located in Landover, Maryland, that performs furniture rehabilitation services, property reutilization, and disposal of excess property for the Washington Metropolitan area. CEPO maintains a large selection of excess furniture that is readily available. Excess furniture is classified in two ways:

Rehab. This is furniture that has been refinished, reupholstered, repaired, etc. CEPO charges back to the customer the cost of the rehabilitation services.

As-Is. This is furniture that can be reutilized without needing any rehabilitation services. There is no cost for this type of furniture.

CEPO has a showroom of office furniture arrangements and provides a shuttle from the South Building to its warehouse. Call PSS at least 1 day in advance to make shuttle arrangements (PSS staff will also accompany you to CEPO). PSS also has a CEPO catalog listing rehabilitated excess furniture that is normally available.

To request excess property, complete form AD-700 (or Electronic 700). **(For example, see next page.)** You must specify when you are requesting “as-is” furniture. Submit the request through your official channels.

PSS staff verifies the information and forwards the request to CEPO for processing. CEPO makes delivery arrangements through PSS. Contact PSS if you have any questions regarding CEPO.

PROCUREMENT REQUEST		PROPERTY & SERVICES SECTION		OFFICE OF ENERGY	
AD-700 (Rev. 10-1-79)		FORM 1304-1		FORM 1304-1	
1. REQUESTING AGENCY	2. CONTRACT NUMBER	3. AGENCY DATE	4. AGENCY CODE	5. AGENCY NAME	6. AGENCY ADDRESS
7. DATE OF REQUEST		8. DATE OF DELIVERY			
7/15/79		7/15/79			
9. REQUESTING AGENCY NAME		10. REQUESTING AGENCY ADDRESS			
DOE, Office of Energy		1301 New York Ave., NW, 1206			
11. AGENCY DELIVERY REQUIRED		12. AGENCY DELIVERY REQUIRED			
<input type="checkbox"/> YES		<input type="checkbox"/> YES			
13. DESCRIPTION		14. QUANTITY	15. UNIT PRICE	16. AMOUNT	
Item No. 103. 4-drawer letter file cabinet, with lock, Rolox brand.		3	\$68.00	\$204.00	
Item No. 321. Unfilled wood condenser, double pedestal, with center opening		1	\$50.00	\$50.00	
Item No. 404. Wood chair, with padded arms, fabric seat, (blue) with casters		1	\$68.50	\$68.50	
For additional information, please contact:					
Sara Jones 215-0123					
17. SUBMITTER		18. SUBMITTER ADDRESS		19. SUBMITTER PHONE	
20. SUBMITTER NAME		21. SUBMITTER ADDRESS		22. SUBMITTER PHONE	
23. ACCOUNT NO. CLASSIFICATION		24. ACCOUNT NO. CLASSIFICATION		25. ACCOUNT NO. CLASSIFICATION	
412345678901					
26. DISTRIBUTION		27. DISTRIBUTION		28. DISTRIBUTION	
29. DISTRIBUTION		30. DISTRIBUTION		31. DISTRIBUTION	
32. DISTRIBUTION		33. DISTRIBUTION		34. DISTRIBUTION	
35. DISTRIBUTION		36. DISTRIBUTION		37. DISTRIBUTION	
38. DISTRIBUTION		39. DISTRIBUTION		40. DISTRIBUTION	
41. DISTRIBUTION		42. DISTRIBUTION		43. DISTRIBUTION	
44. DISTRIBUTION		45. DISTRIBUTION		46. DISTRIBUTION	
47. DISTRIBUTION		48. DISTRIBUTION		49. DISTRIBUTION	
50. DISTRIBUTION		51. DISTRIBUTION		52. DISTRIBUTION	
53. DISTRIBUTION		54. DISTRIBUTION		55. DISTRIBUTION	
56. DISTRIBUTION		57. DISTRIBUTION		58. DISTRIBUTION	
59. DISTRIBUTION		60. DISTRIBUTION		61. DISTRIBUTION	
62. DISTRIBUTION		63. DISTRIBUTION		64. DISTRIBUTION	
65. DISTRIBUTION		66. DISTRIBUTION		67. DISTRIBUTION	
68. DISTRIBUTION		69. DISTRIBUTION		70. DISTRIBUTION	
71. DISTRIBUTION		72. DISTRIBUTION		73. DISTRIBUTION	
74. DISTRIBUTION		75. DISTRIBUTION		76. DISTRIBUTION	
77. DISTRIBUTION		78. DISTRIBUTION		79. DISTRIBUTION	
80. DISTRIBUTION		81. DISTRIBUTION		82. DISTRIBUTION	
83. DISTRIBUTION		84. DISTRIBUTION		85. DISTRIBUTION	
86. DISTRIBUTION		87. DISTRIBUTION		88. DISTRIBUTION	
89. DISTRIBUTION		90. DISTRIBUTION		91. DISTRIBUTION	
92. DISTRIBUTION		93. DISTRIBUTION		94. DISTRIBUTION	
95. DISTRIBUTION		96. DISTRIBUTION		97. DISTRIBUTION	
98. DISTRIBUTION		99. DISTRIBUTION		100. DISTRIBUTION	

Signature

Completed AD-700 for Acquiring Excess Property

5. Reporting Excess Property

Property no longer needed by an owning agency is "excess" property. An APO can

property and handles the reutilization or disposal actions. If the property is “accountable,” PSS will remove the property records from your inventory.

Example of SF-120 Reporting Excess

11

Disposal Code ²	Explanation
1	Unused - Good
2	Unused - Fair
3	Unused - Poor
4	Used - Good
5	Used - Fair
6	Used - Poor
7	Repairs Required - costing 15% of acquisition cost
8	Repairs Required - costing 16%-40% of acquisition cost
9	Repairs Required - costing 41%-65% of acquisition cost
X	Salvage - Repairs costing over 65% of acquisition cost

5. Excess Property--Field Locations

Property no longer needed by an owning agency is “excess property.” An APO can designate property “excess.” Excess property, whether it is accountable or non-accountable, must be reported for reutilization within the Department, other Federal agencies, or for disposal actions. This chapter explains how APOs in field locations process actions regarding acquiring excess property and reporting excess property.

Acquiring Excess Property

If you want to obtain excess property, contact PSS staff first. PSS staff will contact General Services Administration's (GSA) Regional Federal Supply Service Bureaus, work with the utilization officers, and serve as the liaison to obtain excess property (**see Appendix A**).

²Codes 1 through 3 are reserved for property that has **never** been used. Codes 4 through X are codes that are used most often.

Reporting Excess Property

When you declare property as “excess” you must complete form SF-120, Report of Excess Property, and submit it to PSS. Include property description, location, serial number (if equipment), and disposal condition code. **(See example on pages 10 & 11.)** Depending on the acquisition cost and condition of your excess property, you will receive disposition instructions from either PSS or GSA. You must retain possession of the excess property until you receive disposition instructions.

Local Disposition Instructions

The Property Management Officer (PMO) has the authority to provide local disposition instructions for excess property, when the acquisition cost of the property is less than \$1,000. Local disposition instructions include donation, abandonment, and destruction, or conducting a small lot sale.

Donation, Abandonment, or Destruction

Excess property under the PMO's authority can be donated, abandoned, or destroyed when:

- the estimated cost of the property's continued care and handling would exceed the estimated proceeds from the sale of the property, or
- immediate abandonment or destruction action is needed because of health, safety, or security reasons, or
- the property has no commercial value.

In such cases, PSS will prepare form AD-112 with detailed disposition instructions and forward it to you. When you complete the disposal, indicate the type of disposal action, sign the form, and return it to PSS. PSS will remove the property from your inventory when you return the completed form.

You may only donate excess property to public bodies. Public bodies include agencies or political subdivision of States (i.e. state agencies, schools, hospitals, Indian tribes), U.S. territories and possessions, the common wealth of Puerto Rico, the District of Columbia, or the Federal Government. Organizations categorized as nonprofit tax-exempt, or service education activities are not eligible for donation. Private vendors are not eligible for donation.

Small Lot Sale

The PMO may authorize you to conduct a small lot sale of your excess property.³ A small lot sale is an informal sealed bid process where excess property is awarded to the highest bidder. This method may be authorized in situations where excess property is in good condition and may not be needed by other Government agencies but the private sector may have an interest and it would be more economical to try to sell the property. PSS will forward detailed instructions and provide all necessary forms to conduct the sale.

Departmental Screening

When excess property has an original acquisition cost of \$1,000 or more, PSS electronically forwards excess property reports for departmental screening nationwide through the office of the Departmental Excess Personal Property Coordinator (DEPPC). DEPPC will notify the APO and PSS by letter if it receives a request for the property. Requesting offices are responsible for working out transfer arrangements with the APO. If DEPPC does not receive any requests for this property, it electronically forwards the excess property report to GSA's Regional Federal Supply Service Bureau.

GSA Screening

Excess property reports released by DEPPC go through one or all of GSA's disposal cycles depending on the cost and condition of the property. The disposal cycles include:

Utilization. All Federal agencies are eligible to screen excess property.⁴ If another agency requests the property, GSA will forward copies of the transfer documents to you and PSS. Excess property cannot be released until you receive authorization from GSA. Once you release the property, forward a completed copy of the transfer document to PSS, noting the release date. PSS then removes the property from your inventory.

³USDA prohibits employees from purchasing property that they were once accountable for, formerly used, or were in any way connected with its determination as excess.

⁴Excess property that is no longer needed by the Federal Government is “surplus” property. Only GSA can designate excess property as “surplus” property.

Donation. All state and local agencies are eligible to screen excess property. If there is a request for the property, GSA will forward copies of the transfer documents to you and PSS. You cannot release excess property until you have received authorization from GSA. Once you release the property, forward a copy of the completed transfer document to PSS, noting the release date. PSS then removes the property from your inventory.

Sales. GSA may attempt to sell the property. If so, GSA will forward notification of the date of sale and ask you to verify information regarding the excess property. If GSA sells the property they will forward copies of the Notice of Award to you and PSS. Excess property cannot be released until GSA forwards release documents stating the purchaser has paid for the property. Once you release the property, forward a copy of the completed Notice to PSS, noting the release date. PSS then removes the property from your inventory.

Return for local disposition (donation, abandonment, destruction, or small lot sale). At any time after completing one or more cycles, GSA may return the excess report to PSS for local disposition. The PMO will authorize the type of disposition. PSS will forward the appropriate forms and detailed instructions for disposal. Once you have disposed of the property, return the completed paperwork to PSS. PSS will remove the property from your inventory.

☞ You may not remove excess property unless you have authority from GSA or PMO. PSS will serve as the liaison with GSA. If you have any questions during the disposal process, contact PSS.

6. Home Use of Government Equipment

As an APO, you may loan Government property to employees only for official work at home.⁵ You may not loan Government property to employees as a reward or because the

⁵Supervisors who authorize home use of Government equipment should be aware of the requirements of the Fair Labor Standards Act (FLSA). Employees covered by that law (generally, clerical and technical support employees at grade GS-9 and below, and professional and administrative employees grades GS-5 and GS-7) may be entitled to premium pay for all hours of overtime work which management permits them to perform. See P&P 4551, Overtime and Compensatory Time-Off, for further information.

equipment is no longer used in the office. You must report equipment that is no longer needed as “excess” so it can be reutilized. If you loan property to an employee for official work at home (or to another Government unit), complete form EMS-39, Receipt for Loaned Property--Economics Agencies (**below**).

RECEIPT FOR LOANED PROPERTY- ECONOMICS AGENCIES

INSTRUCTIONS FOR ACCOUNTABLE PROPERTY OFFICERS: Complete this form when loaning Government-owned property to either an employee for official work at home or another Government unit. **Original:** Retain for your files. **1st Carbon Copy:** Forward to the EMS Property and Services Section if loaned item appears in the accountable property inventory; otherwise, discard. **2nd Carbon Copy:** If property is in accountable property inventory, keep until property is returned, then enter the return date and send to the EMS Property and Services Section; otherwise, discard. **3rd Carbon Copy:** Give to employee or loanee unit's APO upon return of property.

1. DESCRIPTION OF PROPERTY	2. SERIAL NUMBER	3. LOAN DATE	4. RETURN DATE
IBM Monitor	8231234	7/14/94	
IBM PC	5170123456	7/14/94	
Epson Printer	000881123	7/14/94	

5. LOANING AND RETURN
 a. LOANING AGENCY: Mary Smith
 b. AGENCY DIVISION, BRANCH: BRS, DSC, OS
 c. SIGNATURE AND DATE: [Signature] 7/14/94

6. RETURN
 a. RETURNING AGENCY: Robert Jones
 b. AGENCY DIVISION, BRANCH: BRS, DSC, OS
 c. SIGNATURE AND DATE: [Signature] 7/14/94

7. COMMENTS: To complete database programming.

Completed EMS-39 for Loaned Property

If the loaned property is “accountable,” and on loan for 15 or more days, forward the first copy of the form to PSS. PSS will update PMIS to show that the property is being used at home. When the employee returns the property, complete the return date and forward the second copy of the form to PSS. PSS will readjust the property records to show that the property has been returned. If the property is “non-accountable,” keep all copies for your files.⁶

Removing Property from Government Buildings

⁶Employees much check with their technical support sections for their agency's policy regarding repairs to Government equipment at home.

Employees must obtain form AD-873, Property Pass, from their APO before removing property from Government buildings.⁷

When an employee must frequently transport Government property to and from work, prepare a memorandum that replaces the AD-873. **(For example, see below.)** The memorandum is acceptable to security officials at the headquarters complex and the 1301 New York Avenue Building and serves as a long-term (maximum 1 year) property pass. Employees must carry a copy of the memorandum with them when transporting the property to and from work. In the headquarters complex, employees must also use the same entrance/exit.

SUBJECT:	Authorization to Remove Government Property From _____ Building
TO:	William Moseley, Sr Chief, Physical Security Branch Office of Operations or _____, Director Central Operations Staff Economic Research Service
FROM:	(Accountable Property Officer)
_____ is authorized to remove the Government property listed below from the _____ Building to conduct official business. This authorization is effective from _____ through _____. This period cannot exceed 1 year.	
Loanee and property information is as follows:	
Name:	Room Number:
Telephone Number:	Agency:
Exit/Entrance Point:	
Property Description:	
Serial Number:	
cc:	Loanee EMS, Property & Services Section

Memorandum for Frequently Transporting Property

7. Stolen, Lost, or Damaged Property

Reporting Stolen Property

⁷Field employees should follow their own internal procedures when they are removing Government property from their work place.

Employees must immediately report thefts to their APOs. APOs immediately report thefts to the appropriate officials:

Washington Metropolitan Area. APOs must report the theft immediately to the Federal Protective Service (FPS) at (202) 708-1111. FPS takes a stolen property report and investigates the incident. Once you have notified the FPS, call PSS to report the incident to the (PMO).⁸

Field Locations.

APOs must immediately notify the local building manager, who reports the incident to the appropriate authorities.

All APOs: After you have notified the appropriate authorities, complete form AD-112, Report of Unserviceable, Lost, Stolen, or Damaged Property, listing the property that was stolen and submit the form to PSS. Include a statement of the circumstances surrounding the disappearance of the property and the date a report was filed with the

REPORT OF UNSERVICEABLE, LOST, STOLEN, DAMAGED OR DESTROYED PROPERTY		7/16/94	
SECTION I - ACCOUNTABLE PROPERTY OFFICER'S REPORT			
1. TYPE OF PROPERTY (Check only one report each type separately)		2. REPORTING ACTIVITY (Name agency, unit and address)	
<input type="checkbox"/> Unserviceable <input type="checkbox"/> Damaged <input type="checkbox"/> Lost or Stolen <input type="checkbox"/> Destroyed		LBSA, BASS, SID, DBB Rm. 6B39-5	
3. PROPERTY DETAILS (See instructions for additional entries)			
4. QUANTITY OF PROPERTY	5. MAKE, MAKE AND OTHER SERIAL NUMBER, OR OTHER IDENTIFYING DATA	6. VALUE	7. LOCATION OF PROPERTY WHEN ACT OF LOSS OR DAMAGE OCCURRED
AE0002001234	Panasonic POK Model: P85 Serial No: ABC1234 Acq. Date: 5/25/92	\$620.00	Office was broken into the weekend of 6/25-26/94. A report was filed with the FRS on 6/27/94.
8. SIGNATURE OF ACCOUNTABLE PROPERTY OFFICER			9. DATE
			6/29/94
SECTION II - PROPERTY MANAGEMENT OFFICER'S REPORT			
10. INFORMATION FOR LOST, STOLEN, DAMAGED, OR DESTROYED PROPERTY			
11. After due consideration of all known facts and circumstances in this case, it is determined that: <input type="checkbox"/> a. The loss, theft, damage or destruction did not result from employee negligence and any innocent employees are hereby cleared of liability. <input type="checkbox"/> b. There appears to be gross employee negligence involved; therefore, the case is referred to agency officials for appropriate action under the departmental act. <input type="checkbox"/> c. There appears to be negligence involved; therefore, the case is referred to agency personnel for consideration of disciplinary action.			
12. SIGNATURE OF PROPERTY MANAGEMENT OFFICER			13. DATE
SECTION III - AUTHORIZATION FOR ABANDONMENT OR DESTRUCTION OF LOSS			
14. Unserviceable property listed above is hereby authorized for abandonment or destruction in accordance with COMPTROL 45 based on any of the following conditions: <input type="checkbox"/> a. Property is in excessive repair <input type="checkbox"/> b. Health, safety or security considerations require immediate abandonment or destruction <input type="checkbox"/> c. Cost of care and handling exceeds expected value to be realized <input type="checkbox"/> d. Regulation or directive requires abandonment or destruction			
15. SIGNATURE OF PROPERTY MANAGEMENT OFFICER			16. DATE
SECTION IV - CERTIFICATIONS ON COMPLETION OF ABANDONMENT OR DESTRUCTION. (Property that is abandoned must be kept in storage until approved for reuse by the agency. Property that is destroyed must be removed from the inventory.)			
17. SIGNATURE OF ACCOUNTABLE PROPERTY OFFICER			18. DATE
19. SIGNATURE OF WITNESS			20. DATE
SECTION V - CERTIFICATIONS OF PROPERTY AND PICAL OFFICER			
21. SIGNATURE OF ACCOUNTABLE PROPERTY OFFICER (The necessary action has been taken to adjust the accounting records)			22. DATE
23. SIGNATURE OF PICAL OFFICER (The necessary action has been taken to adjust the accounting records and where required by a determination made under Section II above, to either correct or remove the employee's name)			24. DATE

Completed AD-112 for Stolen, Lost, or Damaged Property

⁸The PMO is the security officer for the Economics agencies and serves as the liaison with the FPS.

authorities. (See right.)

Reporting Lost or Damaged Property

When employees discover property has been damaged or lost, they must immediately report the loss or damage to their APO. APOs must complete form AD-112, listing the damaged or lost property, describing the circumstances of the loss or damage, and submit the form to PSS. Prepare the AD-112 similar to the example on page 17 for reporting stolen property.

Employee Liability for Stolen, Lost, or Damaged Property

The PMO reviews all AD-112s and when necessary, FPS theft reports, to determine whether there is the appearance of gross negligence surrounding the loss/damage of the property. If there is no appearance of gross negligence, the PMO signs the AD-112 and PSS removes the property from PMIS and forwards a copy of the form to the APO.

If there is the appearance of gross negligence, the PMO appoints two employees and a chairperson to serve on a Board of Survey to review the case to determine if the employee(s) should be liable for reimbursing the Government. The PMO requests written statements from the APO and the employee(s) involved detailing the circumstances surrounding the loss/damage of the property. The PMO maintains written records of the Board's proceedings and determinations. The PMO also notifies, in writing, all concerned employees of the Board's decision. If the Board determines the employee is liable, the amount of reimbursement is determined by

- replacement cost of the missing/damaged item or its fair market value at the time of the loss.
- actual cost to the Government to return the property to its same condition prior to the damage.

Employees held liable by the Board of Survey have the right to appeal decisions. Within 15 days of receiving notice, they must send written appeals to **their** agency heads including all the facts of the case. Agency heads must render written decisions within 15 days after receiving appeals. Agency heads' decisions are final.

8. Physical Inventories

Federal property regulations require that a physical inventory must be completed every 2 years or when there is a change in APOs.

Conducting Physical Inventories--Headquarters

PSS conducts physical inventories for APOs in headquarters by walking through all office space you are responsible for and checking all accountable property against the inventory report. PSS verifies serial numbers, model numbers, and manufacturer names. PSS will request someone from your staff to assist during the inventory. This person is responsible for

- notifying staff that PSS will be conducting a physical inventory,
- answering questions relating to property custodians,
- informing PSS of all areas you are responsible for, and
- signing the completed inventory.

PSS then reconciles property records and makes the necessary changes in PMIS to account for unrecorded transfers, etc. PSS will forward a copy of the reconciled inventory to you. PSS will work with you to determine what documentation you must prepare for property that was not accounted for during the physical inventory.

Conducting Physical Inventories--Field Locations

If you are an APO in a field location, you must conduct your own physical inventory. PSS will forward a copy of your inventory with instructions for completing the inventory. You will have a minimum of 60 days to forward the completed inventory to PSS. APOs must

- walk through their office space matching the property inventory against the property physically located in their unit,
- make any changes in serial numbers, model numbers, custodians, etc. on the report,
- list any additional property not on inventory, on the bottom of the report, including purchase order numbers when applicable, and
- sign, date, and forward the inventory report to PSS.

PSS will make the necessary changes to the property records in PMIS and forward a copy of the reconciled inventory to you. PSS will work with you to determine what documentation you must prepare for property that was not accounted for during the inventory.

9. Property Reports

Although PSS updates the current status of property records in PMIS, **APOs must provide written notice of all property acquisitions, transactions, disposals, etc.** These records are very important to maintain the integrity of the data in PMIS and also for the integrity of the accounting system and financial statements required by the CFO Act. Documentation is essential to effective property management and financial accountability. To help APOs manage their property, PSS generates routine property reports and can also customize property reports upon request. This chapter explains the procedures that an APO should follow regarding such reports.

Quarterly Property Reports

PSS will distribute a quarterly property inventory report listing all property assigned to you. The quarterly report is a good method of checking to ensure property transactions are completed. You can verify whether you have completed all documentation regarding property transactions. If you notice any discrepancies, note them on the report and forward a copy to PSS. Call PSS to discuss any problems relating to the quarterly report.

Take advantage of the “**custodian**” field on the quarterly inventory report to further distinguish where property is located. Note employee names, initials, room numbers, etc., in this field, and PSS will update the information to the property record.

Customized Property Reports

PSS can generate ad hoc property reports in PMIS from very specific to very general, such as a listing of computer equipment by custodian, a listing of accountable property purchases last fiscal year, etc. Contact PSS staff to discuss reports you may need.

Quarterly Financial Reports

PSS will provide to EMS's Financial Management Section Head quarterly property reports listing the total dollar amount of accountable property with an acquisition cost of \$5,000 or more (capitalized property) for each agency within the Economics agencies. These reports are used to help EMS's Budget, Finance, and Systems Automation Division certify property accounts on financial statements required by the CFO Act.

Appendix A - GSA Regional Federal Supply Service Bureaus

Connecticut, Maine Massachusetts, New Hampshire, Rhode Island, and Vermont

Federal Supply Service Bureau (2FB-1)
10 Causeway Street, 9th Floor
Boston, MA 02222-1078
(617) 565-5321

New Jersey, New York, Puerto Rico, and the Virgin Islands

Federal Supply Service Bureau (2FB)
26 Federal Plaza
New York, NY 10278
(212) 264-3300

Delaware, Maryland (except locations in the Washington, DC metropolitan area), Pennsylvania, Virginia (except locations in the Washington, DC metropolitan area), and West Virginia

Federal Supply Service Bureau (3FB)
100 Penn Square East, Room 880
Philadelphia, PA 19107
(215) 656-3910

District of Columbia and Washington, DC metropolitan area

Federal Supply Service Bureau (3FB-W)
490 L'Enfant Plaza East, Suite 8214
Washington, DC 20407
(202) 755-0300

Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee

Federal Supply Service Bureau (4FB)
401 W. Peachtree Street, NW
Atlanta, GA 30365-2550
(404) 331-2949

Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin

Federal Supply Service Bureau (5FB)
230 South Dearborn Street
Chicago, IL 60604
(312) 353-5375

Iowa, Kansas, Missouri, and Nebraska

Federal Supply Service Bureau (6FB)
4400 College Blvd, Suite 175
Overland Park, KS 66211
(913) 236-2504

Arkansas, Louisiana, New Mexico, Oklahoma, and Texas

Federal Supply Service Bureau (7FB)
819 Taylor Street
Fort Worth, TX 76102
(817) 334-4824

**Colorado, Montana, North Dakota, South
Dakota, Utah, and Wyoming**

Federal Supply Service Bureau (7FB-B)
P.O. Box 25506
Denver, CO 80225-0506
(303) 236-7547

Arizona, California, Hawaii, and Nevada

Federal Supply Service Bureau (9FB)
525 Market Street
San Francisco, CA 94105
(415) 744-5110

Alaska, Idaho, Oregon, and Washington

Federal Supply Service Bureau (9FB-10)
400 15th Street, SW
Auburn, WA 98001-6599
(206) 931-7400

Appendix B - Budget Object Classifications Codes for Personal Property

Budget Object Codes	Explanations
Property Less Than \$1,000	
3140	Non-Accountable, less than \$1,000
3141	Sensitive, except ADP equipment , less than \$1,000
3144	Sensitive ADP equipment, except PCs , less than \$1,000
3150	Sensitive, PCs only , less than \$1,000
Property Between \$1,000 - \$4,999	
3170	Personal property, except ADP equipment , between \$1,000 - \$4,999
3171	PCs only , between \$1,000 - \$4,999
3172	ADP Equipment, except PCs , between \$1,000 - \$4,999
Property \$5,000 or more	
3112	Furniture, \$5,000 or more
3124	ADP equipment, except PCs , \$5,000 or more
3125	Office machines, includes office copy machines, \$5,000 or more
3126	Reproduction Machinery and Equipment, except office copy machines, \$5,000 or more
3165	PCs only , \$5,000 or more
3167	Mini or Mainframe Computers, \$5,000 or more

Summary of Responsibilities

Agency Heads

- With the PMO, develop agency policies and procedures for the control of accountable personal property.
- Review and render written decisions on employee appeals of Board of Survey decisions.

Property Management Officer (Head, Property and Services Section, EMS)

- Develops, for agency heads review and approval, policies and procedures for the effective utilization, accountability, control, and disposition of agency personal property.
- Processes transaction documents to maintain official property management files and the Property Management Information System, documenting assignment and responsibility of personal property.
- Distributes routine and customized property reports to APOs and other management officials.
- Reviews cases of lost, stolen, or damaged property and, when necessary, appoints a Board of Survey to determine if employee negligence contributed to the loss or damage.
- Conducts the biennial physical inventories for headquarters offices and directs the physical inventories in field locations.
- Provides local disposition instructions for excess property in field locations based on Federal Regulations.
- Forwards excess property reports to DEPPC and GSA for field excess property outside the PMO's authority.
- Acts as liaison between GSA and APOs to handle matters relating to excess property.
- Arranges the removal of excess property in the Washington Metropolitan area.
- Verifies procurement requests to determine if excess property can be used.

Accountable Property Officers (Branch Chiefs and above in Headquarters and State Statisticians in Field Locations)

- Assign and control all personal property assigned to their areas of responsibility.
- Provide PMO with the appropriate written notice of property acquisitions, transfers, disposals, losses, and excess determinations, and other property transactions.
- Sign form AD-873 to authorize removal of personal property from the building.
- Approve form EMS-39 to authorize employees to take Government property home for official work at home.
- Conduct biennial physical inventories (**field locations only**).

Agency Technical Support Sections

- Arrange preparation of transfer documents for computer equipment they transfer under maintenance and upgrades.
- Call PSS to discuss other procedures for facilitating transfer documentation for computer equipment that is transferred because of maintenance or upgrade.

Employees

- Properly use and care for Government property assigned to them, taking precautions to prevent theft or damage.
- Notify their APOs to report any loss or damage to Government property assigned to them.
- Use Government property assigned to them for official work at home only for official purposes.

Glossary

Accountable Property. All personal property owned or leased by the Government, for which responsibility must be established, and accounted for on an individual basis. It includes property with an acquisition cost of \$1,000 or more which is complete in itself; and property less than \$1,000 that is considered sensitive or susceptible to theft. The Office of Operations establishes the threshold for accountability.

APO. Accountable property officers are responsible for the control and management of all personal property assigned to their unit. The Department recommends that APOs are vested with managerial authority. In the Economics agencies, APOs are branch chiefs and above in headquarters, and in the field, state statisticians.

As-Is Furniture. Excess furniture that is available for reutilization without needing any rehabilitation services.

Board of Survey. A group of employees appointed by the Property Management Officer to review cases where there is the appearance of gross negligence surrounding the theft, loss, or damage to Government property. The Board determines employee liability and what amount is owed to the Government.

Capitalized Property. Personal property with an initial acquisition cost of \$5,000 or more, is of durable nature, and has a useful life of 2 or more years. The Office of Finance and Management determines the criteria for capitalization.

CEPO. Centralized Excess Property Operation under the Office of Operations that is responsible for furniture rehabilitation services, property reutilization, and disposal of excess property for the Department in the Washington Metropolitan area.

DEPPC. Departmental Excess Personal Property Coordinator is a centralized organization that handles excess property reports for nationwide screening of Departmental excess property outside the Washington Metropolitan area.

Excess Property. Personal property no longer needed by the owning agency.

Exchange/Sale. Process where eligible property is upgraded by the sale or trade-in of the property and the money is applied to reduce or offset the purchase price of a new like item.

FPS. Federal Protective Service.

GSA. General Services Administration.

Gross Negligence. The intended, willful, or reckless failure to exercise reasonable degree of care to protect property in one's care.

NFC. National Finance Center.

Personal Property. Property that is transportable, any property that is not considered real property such as land and the structures or fixtures on the land.

Physical Inventory. Physical count of property that is required at least once every 2 years. Physical inventories are used to verify property on-hand, identify unneeded property for reassignment or disposal, and identify requirements for additional acquisitions.

PMIS. Property Management Information System is the Department's automated inventory system that tracks property from acquisition to disposal. The system, maintained at NFC, is based on transactions entered by PSS.

PMO. Property Management Officer is the person who has overall responsibility for the design and implementation of an agency's property management program. In the Economics agencies, the PMO is the Head of the Property and Services Section.

PSS. Property and Services Section, EMS.

Public Body. An agency or political subdivision of states, U.S. territories and possessions, Commonwealth of Puerto Rico, the District of Columbia, and of the Federal Government that are eligible to receive surplus or excess property donated by the Federal Government. This includes state agencies, schools, hospitals, or Indian tribes.

Rehabilitated Furniture. Excess furniture that has been refinished, reupholstered, or repaired before being made available for reutilization.

Small Lot Sale. An informal sealed bid process where the highest bidder is awarded excess/surplus Government property.

Surplus Property. Personal property that is no longer needed by the Federal Government. Only GSA can declare property as "surplus."